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Bwrdd Iechyd Prifysgol  
Abertawe Bro Morgannwg  
University Health Board



<b>Meeting Date</b>	<b>28<sup>th</sup> November 2018</b>		<b>Agenda Item</b>	<b>3c</b>
<b>Report Title</b>	<b>Recovery and Sustainability Programme Update</b>			
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<b>Report Sponsor</b>	Lynne Hamilton, Director of Finance			
<b>Presented by</b>	Dorothy Edwards, Deputy Director – Recovery & Sustainability			
<b>Freedom of Information</b>	Open			
<b>Purpose of the Report</b>	This report provides an update on delivery of the Recovery and Sustainability Programme.			
<b>Key Issues</b>	The Programme Board has met on one occasion since the last formal report to Committee in September 2018. The Programme is not on track to delivery against the £21m savings programme and financial savings performance has deteriorated since the last report. Enhanced controls and further mitigating action to identify savings and/or reduce costs is covered within the Finance report on this agenda. The forecast for savings delivery following month 7 review is now £13.5m against the £21m financial plan.			
<b>Specific Action Required</b> <i>(please ✓ one only)</i>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>	<b>Approval</b>
			✓	
<b>Recommendations</b>	Performance and Finance Committee are requested to: <ul style="list-style-type: none"> <li>• Note progress in delivering work stream objectives</li> <li>• Note the delivery assessment as at November 2018.</li> </ul>			

## **RECOVERY AND SUSTAINABILITY PROGRAMME UPDATE**

### **1. INTRODUCTION**

Performance and Finance Committee have agreed to receive a monthly update on the delivery of the Recovery and Sustainability (R&S) Programme. This report provides an update on progress as at November 2018.

### **2. BACKGROUND**

Performance and Finance Committee (PFC) have previously received reports on the delivery of the R&S Programme. At the August meeting, an update was provided against savings schemes, and the Committee noted that the Health Board was 'off track' in delivering its monthly financial trajectory and that there were significant risks in work streams not delivering the anticipated savings in 2018/19.

The R&S Programme Board met on 1<sup>st</sup> November 2018 and the following paragraphs update on progress and issues across each of the work streams. In addition, Committee Members will wish to note that a six month review of all work streams has recently been undertaken. This will be shared with the Recovery & Sustainability Programme Board and Executive Team shortly.

#### **Service Remodelling**

At the last meeting of PFC it was noted that the Board had concluded its engagement phase in respect of proposed service changes at a number of units and that the changes would be phased during August. Unfortunately, due to operational pressures, it has not been possible to fully implement the bed reductions at Singleton and Neath Port Talbot (NPT) Hospitals. Morriston have made some pathway improvements that have led to a reduction of 10 surgical beds and a paper consolidating the surgical plans at Morriston was noted.

A detailed assessment of the impact of delays on the financial position was undertaken at the last service remodelling meeting in October. This highlights that the workstream has delivered a benefit of £0.244m at month 6 against a plan of £0.676m so is £0.432m behind its original plan. Our forecast assessment at month 7 is that savings will amount to £0.711m. It is unlikely that significant improvement will be made on this position as we head into winter period. However individual meetings will take place with each Unit to understand the detailed actions that will be taken to deliver the full savings requirement going into 2019/20.

Within Mental Health Services, there has been a delay in progressing the transfer of patients from Ward 21 in Princess of Wales Hospital into Ward 1 at Angleton. Further discussions with clinical colleagues will take place shortly. This is not having a material impact on the financial position at the current time.

The Health Board is currently consulting on the permanent transfer of Maesteg Day Hospital into POW (no direct financial implications as the Unit has been closed on a temporary basis). A decision has been made to temporarily close the Minor Injuries Unit in Singleton Hospital for 14 weeks,

## Workforce Delivery

The work stream has 3 distinct elements:

- Staff Health and Well Being
- E-Rostering
- Actions to reduce variable pay including reducing vacancy levels, improved sickness management, and workforce utilisation.

Staff health and well being initiatives are on track for delivery against the work stream objectives and milestones and further work is being undertaken to review occupational health services. It was noted that we have a traditional model of occupational health services and that capacity and demand are not in balance. Some practical actions are underway to improve management processes through digitisation and through the recent Targeted Intervention support package, provided by Welsh Government, skill mix within the service will be improved. A detailed driver diagram showing planned process improvements has now been developed.

The roll out of e-rostering is going well and a number of 'waves' at Singleton have been completed on time. There is a comprehensive and detailed programme up to June 2019 when the roll out will be complete. The first rosters on the new system were operationalised in September, and a monitoring report using the metrics agreed will be available in the Autumn. There is now an agreed approach to standardising shifts and Unit Nurse Directors are expected to ensure that the costs of actual rosters are managed within the agreed resource envelope through the use of long day shifts and targeted cover of vacancies. This will need to be monitored carefully.

There are a range of actions underway to tackle medical workforce opportunities and these have been aligned into a dedicated medical workforce work stream and agreed at the Programme Board in November. The driver diagram that has been developed is attached at Appendix 1 which consolidates a number of different strands into a cohesive plan. The first work stream meeting will take place in December but individual initiatives are being progressed in the meantime. IN particular, work to review Emergency Department and junior doctor rota's has commenced..

## Workforce Redesign

Work is progressing on both radiology and the therapies areas. High level milestones have now been agreed for these 2 areas and further work to build on the initial benchmarking undertaken in 2017/18 and are set out below:

Area	Action	Milestone
Therapies	Complete review of therapy provision and identify opportunities for better alignment	Completed by service leads
	Cost out options	10 <sup>th</sup> December
	Executive Team review in light of BBC	December
Radiology	Assess initial workforce opportunities (new Radiology Services Manager and	10 <sup>th</sup> December

	<p>Clinical Lead) taking Bridgend Boundary Change into account and present initial findings at workstream</p> <p>Enrol 2 practitioners on reporting radiographer course</p> <p>Conclude demand &amp; capacity assessment and work up initial workforce plan to inform Medium Term Plan</p>	<p>Complete</p> <p>January 2019</p>
Benchmarking Review	<p>Conclude opportunities of 18 areas assessment using:</p> <ul style="list-style-type: none"> <li>• PwC analysis</li> <li>• WEDS skill mix tool</li> <li>• Carter &amp; specialist benchmarks</li> </ul> <p>Deep dives into 5 areas where opportunities identified:</p> <ul style="list-style-type: none"> <li>• Pharmacy</li> <li>• Occupational Therapy</li> <li>• Physiotherapy</li> <li>• Radiology (will be picked up as part of dedicated work stream described above)</li> <li>• Pathology</li> </ul>	<p>Complete</p> <p>December/January</p>

This work stream is likely to be re-aligned in 2019/20 into a more comprehensive 'Transforming Workforce' programme – this is currently being scoped.

### Value Based Procurement

This work stream continues to deliver against objectives and milestones within the plan. A 'deep dive' took place at the Programme Board in November. Dr Aiden Byrne is providing medical leadership into the clinical areas of the project following Hamish's departure. In addition, the work stream will be supported on nursing consumables by Gareth Howells. A number of meetings have taken place with colleagues in Shared Services to exert pressure on the delivery of their element of the plan as well as identifying opportunities to bring forward savings on clinical consumables. The plan is not forecast to deliver 100% and further mitigating actions are being brought forward, including work on cardiac consumables which is estimated will deliver an in year benefit of £0.370m. The revised forecast to year-end suggests that the work stream will deliver savings of £2m against a revised target of £2.5m so around 80% delivery. Further project support has been identified to support delivery of QVC Tier 1 so further savings may be possible. Members should also note that the Board has recently had positive indications that a bid to the national Invest to Save fund for the introduction of Automated Stock Management into theatres is likely to be funded.

## Reducing Waste, Harm and Variation (Value and Variance)

Dr Aiden Byrne will now lead this work stream following Hamish's departure. Objectives need to be re-set and a cohesive plan developed that will focus on driving down variation and developing a plan that is consistent with the broader approach on Value Based Health care. A new approach to engaging with clinicians in this arena is required and also important to integrate work on prescribing and medicines management. A workshop was planned facilitated by the Advisory Board as part of our current package was discussed, however, it was not possible to deliver this in the Autumn as originally envisaged and a date has now been secured for February.

## Medicines Management

This work stream reports into the Programme Board on a quarterly basis. The Programme Board noted that the planned savings of £1.25m will over-deliver and we are currently forecasting £1.8m .

## Mental Health Services

It was agreed that this work stream needed to be linked into broader service remodelling plans in light of the strategic direction and a further discussion was required. In the meantime, plans to enhance community services and rebalance hospital and community services were progressing and formal feedback on our earlier submission to Welsh Government was awaited.

## 3. GOVERNANCE AND RISK ISSUES

The risk register continues to be reviewed monthly. There were in 3 new risks in November; 1 risk was closed and 2 were downgraded. The following table sets out the current risk profile:

April 2018	May 2018	June 2018	July 2018	Sept 2018	Nov 2018
Number of Risks = 37	Number of Risks = 56	Number of Risks = 56	Number of Open Risks = 46*	Number of Open Risks = 46	Number of open risks = 47
1 (risk score less than 5)	2 (risk score less than 5)	2 (risk score less than 5)	2	2	2
8 (risk score 5-8)	9 (risk score 5-8)	10 (risk score 5-8)	6	5	6
17 (risk score 8-15)	28 (risk score 8-15)	30 (risk score 8-15)	24	26	28
11 (risk score 16-25)	15 (risk score 16-25)	14 (risk score 16-25)	14	13	11
1 (closed)	1 (closed)	0	2	3	1

#### **4. FINANCIAL IMPLICATIONS**

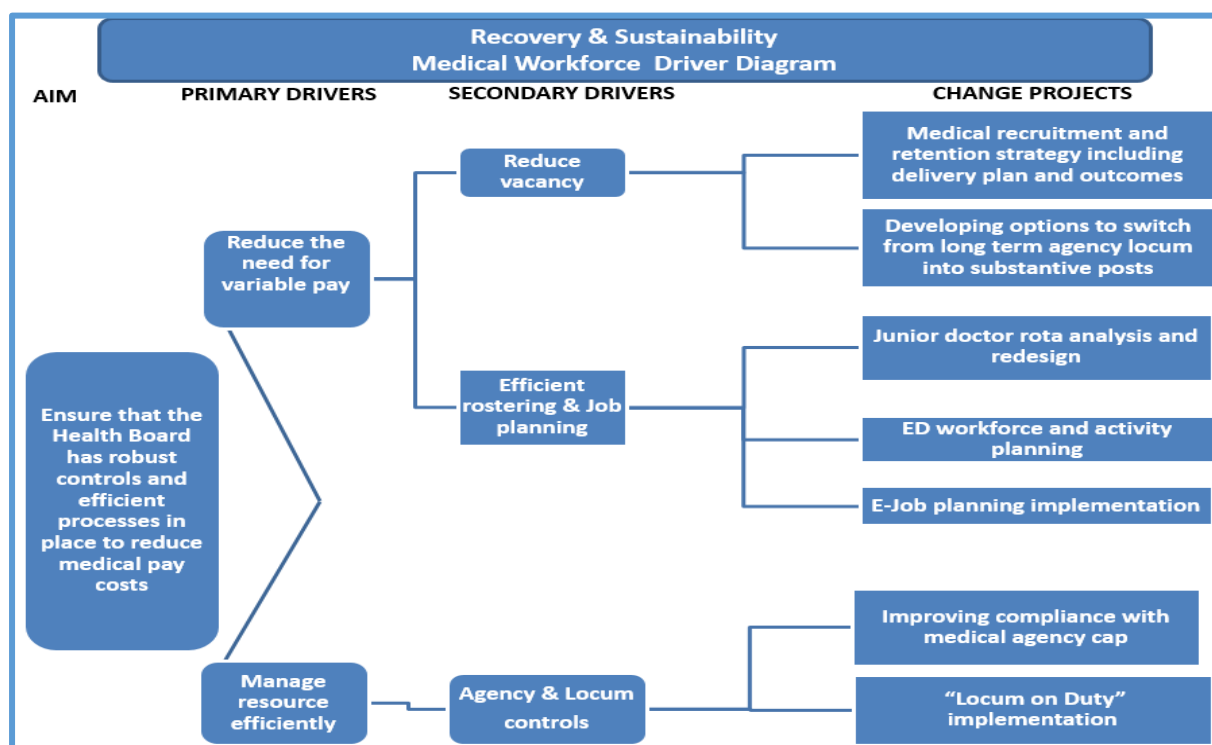
Failure to deliver the savings identified within the financial plan or to identify mitigating actions will impact on the Health Board's ability to contain its deficit to that set out in the savings plan and will pose a risk going into the financial year 2019/20. A reassessment of the anticipated savings has been undertaken at month 7 to provide a year-end forecast. This is set out in Appendix 2 and includes a confidence assessment of delivery against both planned savings, and the revised forecast at month 7.

#### **5. RECOMMENDATION**

Performance and Finance Committee are requested to:

- Note progress in delivering the Recovery & Sustainability Programme in November
- Note the delivery assessment which has been updated following a detailed review in Month 7.

Governance and Assurance							
<b>Link to corporate objectives</b> (please ✓)	Promoting and enabling healthier communities		Delivering excellent patient outcomes, experience and access		Demonstrating value and sustainability		Embedding effective governance and partnerships
							✓
<b>Link to Health and Care Standards</b> (please ✓)	Staying Healthy	Safe Care	Effective Care	Dignified Care	Timely Care	Individual Care	Staff and Resources
<b>Quality, Safety and Patient Experience</b>							
A Quality Impact Assessment progress is in developed and the process has been tested and requires further refinement							
<b>Financial Implications</b>							
Failure to deliver the agreed savings plan will have an adverse impact on the Health Board's overall position and ability to meet its control target.							
<b>Legal Implications (including equality and diversity assessment)</b>							
No specific implications to highlight.							
<b>Staffing Implications</b>							
Management capacity within the Programme is being enhanced to support the delivery of objectives resources from additional monies made available by Welsh Government.							
<b>Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)</b>							
The Recovery and Sustainability Programme has been established to provide a framework for the health Board to deliver sustainable performance improvements and to use its resources wisely to meet the needs of its population.							
<b>Report History</b>	PFC Reports in April, May, June, August & September 2018						
<b>Appendices</b>	Medical Workforce Workstream – Driver Diagram Programme Delivery Assessment						





## Delivery Confidence Assessment – November 2018

Workstream	Original Planned Saving  2018/19 £m	Planned Savings Plan  2018/19 £m	Forecast Savings Delivery  2018/19 M7 £m	Current delivery assessment against planned savings	Current Delivery Assessment (to deliver forecast)	Plan to March 2019
Clinical Procurement	1.5	1.025	0.389	Amber	Green	Initial phase of analytics concluded; positive initial discussions with lead clinicians; additional support to ramp up delivery in Q4 now in place
Procurement	2.5	1.476	1.619	Green	Green	Good progress in delivering work stream objectives and savings ahead of profile at month 6
Medicines Management	1	1.8	1.8	Green	Green	Continue to focus on biosimilar switches and containing primary care drugs spending
Corporate Overheads	1	0.601	0.601	Green	Green	Non recurring benefits delivered in 2018/19. Impact of Bridgend boundary change is likely to result in diseconomies of scale within corporate functions, and this is being assessed currently.
Ring Fenced Spending	2.25	0	0	Red	Red	Implement schemes arising from the Mental Health Transformation Fund to extend community capacity in OPMHS and develop OPMHS strategic framework to prepare for phase 2 changes in capacity in 2019/20.
Unit cost down target	3.5	7.768	7.38	Amber	Green	Continue to drive down pay and non pay expenditure through delivery within Unit cost down reduction plans to achieve control totals set by March 2019.
Service Remodelling	4.75	2.519	0.711	Red	Green	Extensive engagement phase on tranche 1 schemes concluded and schemes being implemented through a phased approach for remainder of 2018/19 in line with Board agreement. Initial change of capacity changes now in place in mental health, Singleton, NPT and Morriston but constrained by operational pressures. Further changes will be managed in line with operational capacity requirements and individual Unit review of plans to deliver from April 2019 being arranged for November
Reducing waste, harm & variation	2	0	0	Red	Red	This will be a key element of the 2019/20 plan which needs to be aligned with the broader Value Based Healthcare Programme and Clinical Services Plan implementation. Clinical Senate will oversee development of clinical system, programmes and pathways to develop a systematic approach to reducing unwarranted clinical variation

WHSCC	1	1	1	Green	Green	Reduction in WHSCC spending delivered; will need to be mainstreamed into 2019/20 plan
Workforce Redesign	1.7	0	0	Red	Red	Current programme focussing on 2 areas – radiology and therapies provision. This work stream will be re-aligned with workforce delivery as part of a more strategic approach in 2019/20. Future model of therapies and other clinical support services being considered as part of organisational design post-Bridgend.
	21.2	16.189	13.5			